

Message Text

UNCLASSIFIED

PAGE 01 HONG K 12500 130716Z

15

ACTION EB-11

INFO OCT-01 EUR-25 EA-11 ISO-00 COME-00 TRSE-00 OMB-01

CIAE-00 INR-10 NSAE-00 RSC-01 DOTE-00 DRC-01 /061 W

----- 117664

R 121020Z DEC 73

FM AMCONSUL HONG KONG

TO SECSTATE WASHDC 8977

INFO AMEMBASSY LONDON

AMEMBASSY TOKYO

UNCLAS HONG KONG 12500

E.O. 11652: N/A

TAGS: BEXP ETRD HK

SUBJECT: PUBLIC WORKS--MASS TRANSIT NEGOTIATIONS ENTER FINAL STAGE

REF: HONG KONG 8753 AND PREVIOUS

1. AFTER LENGTHY SESSION OF EXECUTIVE COUNCIL, HKG ANNOUNCED LATE IN EVENING OF DECEMBER 11 THAT IT WILL ENTER INTO IMMEDIATE NEGOTIATIONS WITH MITSUBISHI CONSORTIUM FOR CONSTRUCTION OF FIRST FOUR STAGES OF MASS TRANSIT RAILWAY. NEGOTIATIONS ARE EXPECTED TO CONTINUE THROUGH EARLY SPRING.
2. CONSORTIUM IS REPRESENTED IN HONG KONG BY JARDINE, MATHESON, THE OLDEST AND MOST POWERFUL OF THE ENGLISH TRADING HONGS; OWING TO THIS CONNECTION, MITSUBISHI HAS BEEN TAPPED FOR MANY MONTHS TO LAND CONTRACT.
3. IN ANNOUNCING AWARD, HKG SPOKESMAN SAID PRIMARY CONSIDERATION HAD BEEN FACT THAT MITSUBISHI ONLY BIDDER WILLING TO GUARANTEE US\$ ONE BILLION COST CEILING WHICH IS THE MAXIMUM THAT ENVISAGED FARE STRUCTURE WILL BEAR. THIS ELICITED SNAPPISH COMMENT FROM CHAIRMAN OF UNSUCCESSFUL BIDDER HUTCHISON INTERNATIONAL: "ANYONE WHO QUOTES A FIXED PRICE FOR A PROJECT OF THIS MAGNITUDE IS BEING VERY BRAVE INDEED IN THE CIRCUMSTANCES RULING THESE DAYS."

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 HONG K 12500 130716Z

4. SPOKESMAN AGREED THAT SHOULD CONTRACT NOT MATERIALIZE,

CONSIDERATION WOULD BE GIVEN TO NEGOTIATING
WITH ONE OR BOTH OF THE HUTCHISON GROUP AND THE ANGLO-FRENCH-
GERMAN CONSORTIUM REPRESENTED BY HONG KONG METRO CONSTRUCTORS.
OSBORN

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PASSENGER TRANSPORTATION, NEGOTIATIONS, PROPOSALS (BID)
Control Number: n/a
Copy: SINGLE
Draft Date: 12 DEC 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973HONGK12500
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: HONG KONG
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19731230/aaaaavsg.tel
Line Count: 65
Locator: TEXT ON-LINE
Office: ACTION EB
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: HONG KONG 8753 AND PREVIOUS
Review Action: RELEASED, APPROVED
Review Authority: cunninfx
Review Comment: n/a
Review Content Flags:
Review Date: 09 AUG 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <09-Aug-2001 by reddocgw>; APPROVED <21-Aug-2001 by cunninfx>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: PUBLIC WORKS--MASS TRANSIT NEGOTIATIONS ENTER FINAL STAGE
TAGS: BEXP, ETRD, HK
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005